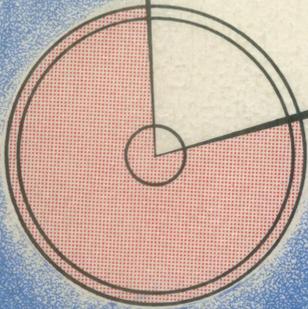


Pensions—Handbooks (Company)
(1952)



WHAT'S WHAT WHEN **YOU** RETIRE



Published By:

FORD MOTOR COMPANY UAW-CIO

BOARD OF ADMINISTRATION

RECEIVED

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**INSTITUTE OF
INDUSTRIAL RELATIONS**

**FORD MOTOR COMPANY
and
UAW-CIO**

RETIREMENT PLAN

**Effective March 1, 1950
with Amendments
Effective October 1, 1950**

An explanation of the Retirement Plan established by agreement between Ford Motor Company and International Union, United Automobile, Aircraft and Agricultural Implement Workers of America, UAW-CIO.

January 1952

The full text of the Retirement Plan established as a result of negotiations between Ford Motor Company and the UAW-CIO is in your copy of the Ford-UAW Agreements of September 28, 1949, and March 16, 1950, as amended September 4, 1950. The actual operation of the Plan is governed by the detailed provisions of this Agreement.

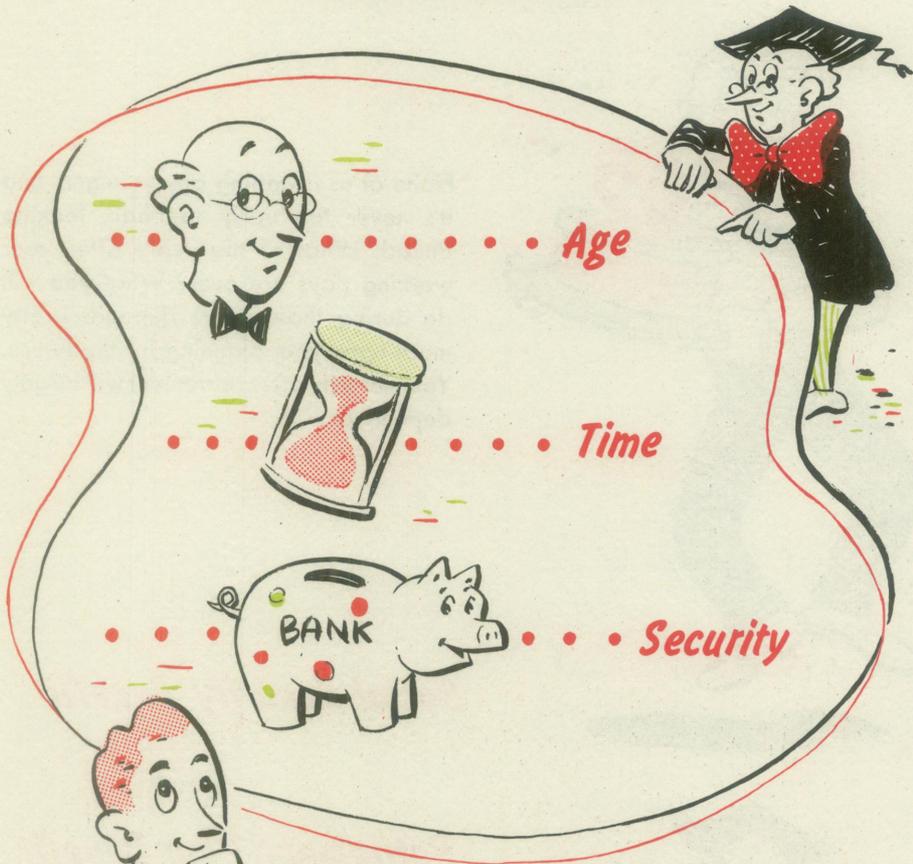
Some parts of the Plan, as so often happens with contracts, make pretty hard reading. This booklet was prepared so that, with the help of the little man down at the bottom of the page, it would be easier to understand.

We believe that if you will follow him through this booklet, you will find the answers to most of the questions you have about your retirement under the Plan.



ALMOST EVERYONE

thinks about retirement in terms of . . .



When you start working for Ford Motor Company, you begin earning credits under the Ford Motor Company - UAW-CIO Retirement Plan toward your future security.



MOST OF US... think of retirement as a far-off proposition.

But is it?



None of us is getting any younger, and it's never too early to begin looking ahead. What of the years after your working days are over? What you will do during those years depends pretty much upon your planning for the future. Your security after retirement will largely depend on:

Social Security Benefit

Retirement Plan Benefit

Personal Savings



Let's look a little deeper into the Ford-UAW Retirement Plan . . .

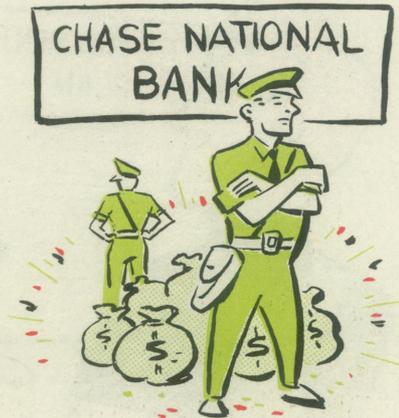
JUST WHAT IS THE RETIREMENT PLAN?

The Ford-UAW Retirement Plan was the first plan to be established by negotiations in the automobile industry. The monthly benefit at normal retirement is made up of your primary Social Security benefit plus such additional amount as may be provided under the Plan. This additional amount is financed by the Company at no cost to you. The Plan in its present form will be continued at least until June 1, 1955, at which time the Agreement may be reopened.



HOW IS MY RETIREMENT INCOME PROTECTED?

Ford Motor Company makes the payments required by the Agreement to the Pension Fund, a trust held and invested by the Chase National Bank of the City of New York. All retirement benefits (except, of course, Social Security benefits) are paid from this Fund. The Fund is protected by law and can be used only for purposes provided in the terms of the Ford-UAW Retirement Agreement.



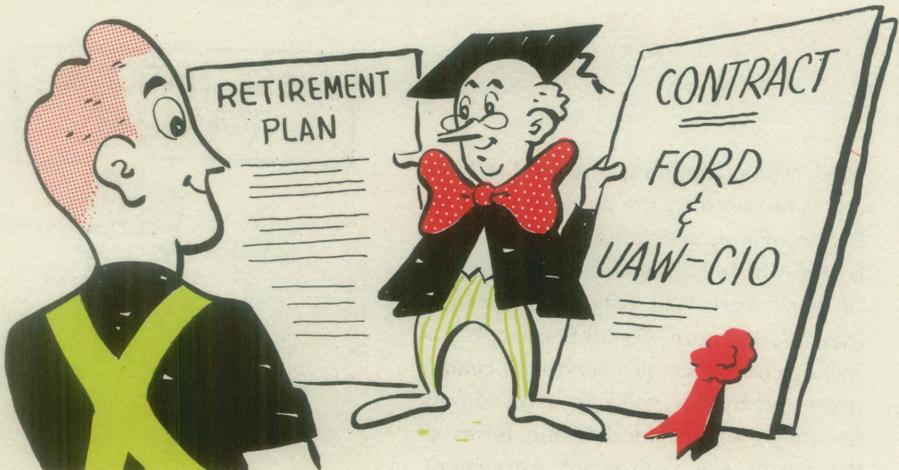
WHO ADMINISTERS THE PLAN?

The benefit structure of the Plan is administered by a Board of Administration, consisting of three members appointed by the Company and three appointed by the Union. Where they cannot agree, there is an Impartial Chairman to cast the deciding vote.



WHO IS THE PLAN FOR?

The Plan automatically includes all hourly-rated employees of the Company who are covered by the Ford-UAW Agreement.



IN GENERAL...

Your retirement benefit from the Pension Fund depends upon two main facts:

1. Your age



2. Your years of service credits with Ford



Normally, you retire at age 65 or older, but retirement is possible at an earlier age under some circumstances. Retirement is automatic at age 68 except that until April 1, 1952, special provisions are applicable.

ABOUT SERVICE CREDITS

When we speak of service for retirement purposes, we use the term Service Credits. This covers both PAST and FUTURE service:

1. Past Service Credits cover employment BEFORE March 1, 1950.
2. Future Service Credits cover employment AFTER February 28, 1950.

ABOUT PAST SERVICE CREDITS



Your past service credits are for service before March 1, 1950. You receive one year past service credit for each year of seniority you had on February 28, 1950. To figure your **PAST** service credits, find your seniority date and count the years to March 1, 1950. Count your past service credits to the nearest quarter year.

FOR EXAMPLE:

If your seniority date was December 15, 1930 you would have 19¼ years past service credits.

(However, seniority given for military service **before** your original hire date with Ford does not count towards service credits under the Retirement Plan.)

ADDITIONAL PAST SERVICE CREDITS

are possible in some cases . . .

You may receive past service credits for years worked prior to your seniority date.

Here are the conditions . . .

1 As of February 28, 1950 you must have had seniority extending back at least to June 20, 1941 or

2 If you were not on the employment rolls on June 20, 1941 you must have had seniority as of February 28, 1950 extending back to your first rehire date following June 20, 1941.

The additional credit is figured by deducting your seniority as of June 20, 1941, if any, from the total amount of time you were on the employment rolls prior to June 20, 1941. If this difference is more than 5 years, the excess over 5 years is added to your service credits based on seniority.

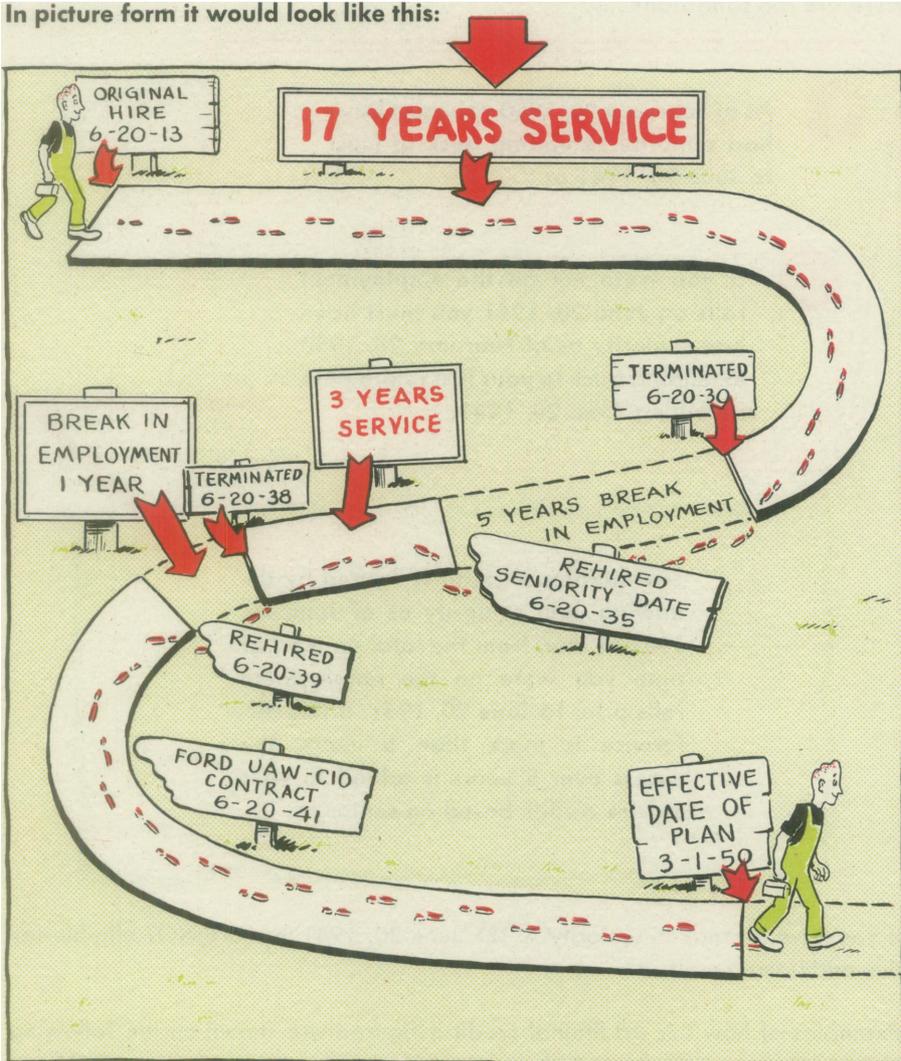
If you have a break in seniority AFTER June 20, 1941 you are NOT eligible for this additional credit.

Examples of how this additional credit is figured are shown on the following four pages.

Example No. 1

Suppose you have a seniority date of June 20, 1935. But you had worked for the Company at various periods before June 20, 1941—and you did not receive seniority credit for some of these periods because there was too long a break in your employment.

In picture form it would look like this:



A. AS OF FEBRUARY 28, 1950 YOU HAD SENIORITY EXTENDING BACK AT LEAST TO JUNE 20, 1941.

B. THE TOTAL AMOUNT OF TIME YOU WERE ON THE EMPLOYMENT ROLLS PRIOR TO JUNE 20, 1941 EQUALS 17 YEARS (6-20-13 TO 6-20-30) PLUS 3 YEARS (6-20-35 TO 6-20-38) PLUS 2 YEARS (6-20-39 TO 6-20-41) FOR A TOTAL OF 22 YEARS. } 22 YEARS

C. DEDUCT YOUR SENIORITY AS OF JUNE 20, 1941 FROM YOUR TOTAL EMPLOYMENT PRIOR TO JUNE 20, 1941 (6-20-35 TO 6-20-41). } -6 YEARS

THIS EXCESS IS 16 YEARS

D. SUBTRACT STANDARD DEDUCTION PROVIDED FOR IN PLAN. } -5 YEARS

YOUR ADDITIONAL PAST SERVICE CREDITS = 11 YEARS

NOW LET'S ADD UP YOUR TOTAL PAST SERVICE CREDITS:

YOUR PAST SERVICE CREDITS BASED ON SENIORITY (6-20-35 TO 3-1-50). } 14 $\frac{3}{4}$ YEARS

YOUR ADDITIONAL PAST SERVICE CREDITS FIGURED ABOVE. } 11 YEARS

TOTAL PAST SERVICE CREDITS = 25 $\frac{3}{4}$ YEARS

Note: This example is based on a seniority agreement with a standard break period. The result might be different if you are covered by a different type of local seniority break agreement.

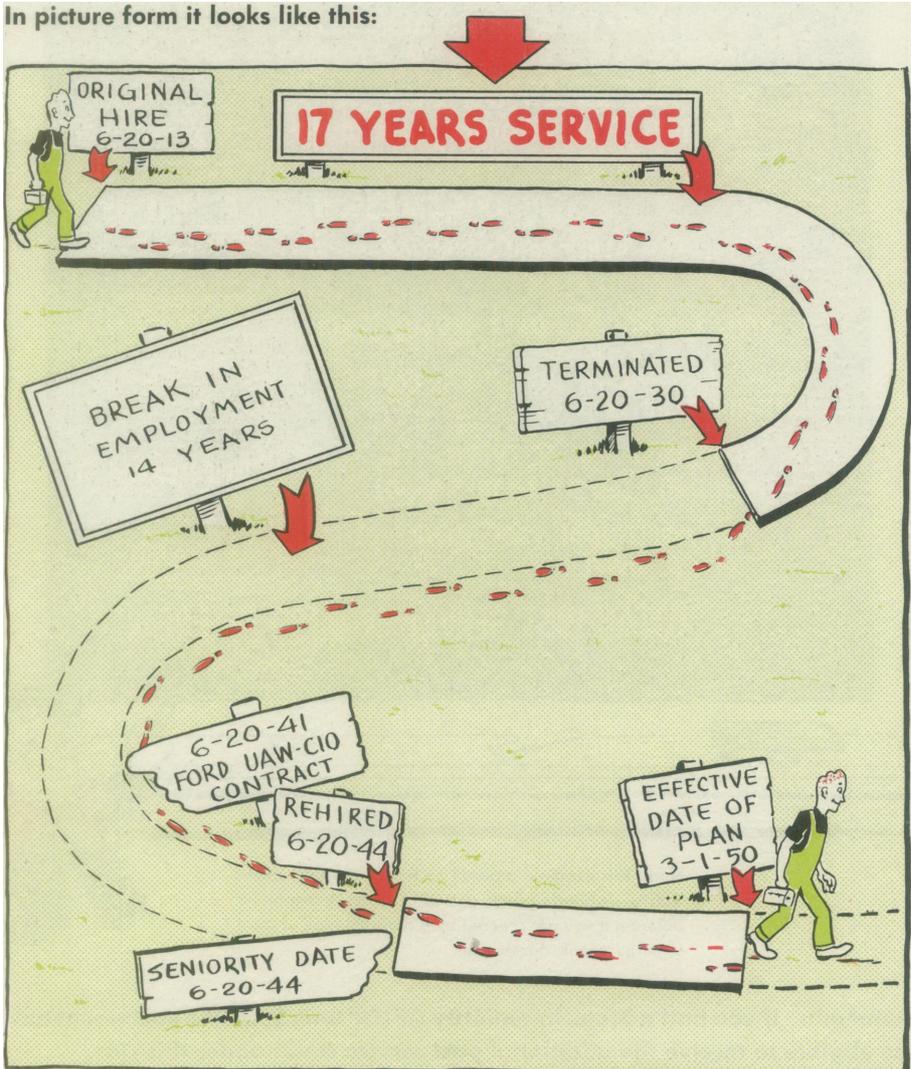


Remember if you had a break in seniority AFTER June 20, 1941 you would not be eligible to receive the additional past service credit under this rule.

Example No. 2

Let's take an example of the second condition: An employee had worked for the Company prior to June 20, 1941, but was not in employment on June 20, 1941. He has seniority extending back to his **FIRST** rehire date following June 20, 1941.

In picture form it looks like this:



A. AS OF FEBRUARY 28, 1950 YOU HAD SENIORITY EXTENDING BACK TO YOUR FIRST REHIRE DATE FOLLOWING JUNE 20, 1941.

B. THE TOTAL AMOUNT OF TIME YOU WERE ON THE EMPLOYMENT ROLLS PRIOR TO JUNE 20, 1941 (6-20-13 TO 6-20-30). } 17 YEARS

C. YOUR SENIORITY AS OF JUNE 20, 1941. } 0 YEARS
 THIS EXCESS IS 17 YEARS

D. SUBTRACT STANDARD DEDUCTION PROVIDED FOR IN PLAN. } - 5 YEARS

YOUR ADDITIONAL PAST SERVICE CREDITS = 12 YEARS

NOW LET'S ADD UP YOUR TOTAL PAST SERVICE CREDITS:

YOUR PAST SERVICE CREDITS BASED ON SENIORITY (6-20-44 TO 3-1-50). } $5\frac{3}{4}$ YEARS

YOUR ADDITIONAL PAST SERVICE CREDITS FIGURED ABOVE. } 12 YEARS

TOTAL PAST SERVICE CREDITS = $17\frac{3}{4}$ YEARS



Remember if you had a break in seniority AFTER your FIRST rehire date following June 20, 1941 you are not eligible to receive the additional past service credit under this rule.

Special provision for additional past service credits is also made for employees who were transferred into the bargaining unit between June 20, 1941 and March 1, 1950, without seniority based on their employment prior to transfer.

Now, let's consider

FUTURE SERVICE CREDITS

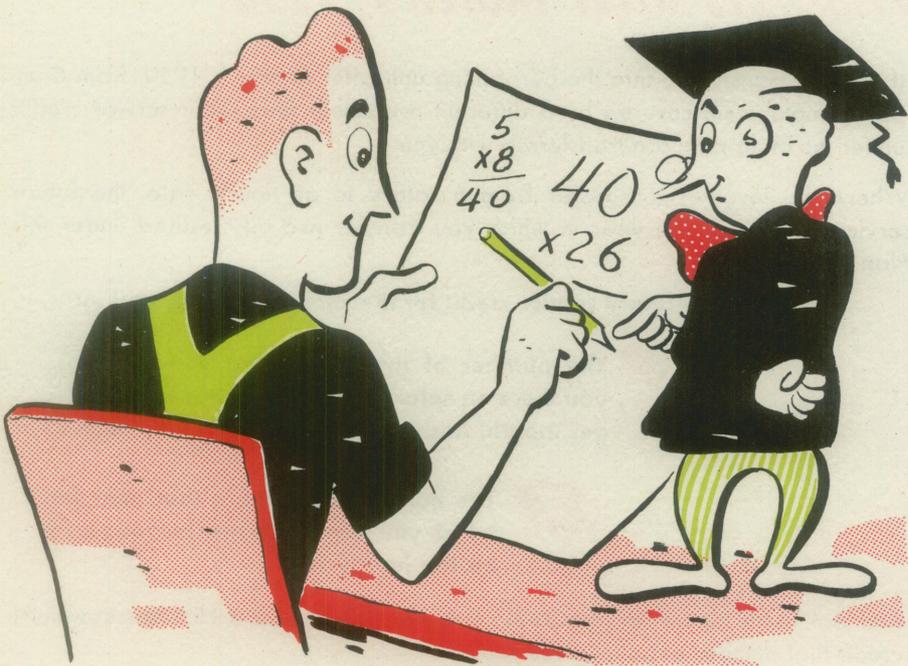


You get future service credits for service **AFTER** February 28, 1950 and until you retire. No credit can be earned after age 68. Future service credits are based upon the number of hours for which you receive pay during each calendar year. This includes vacation, holiday and other hours. An hour for which you receive premium or bonus pay counts as only one hour when figuring future service credits. You may also get service credits while on authorized leave for Local Union business. Hours worked in any one year earn future service credits for that year only. After January 1, 1951, the schedule for credits for any calendar year is as follows:

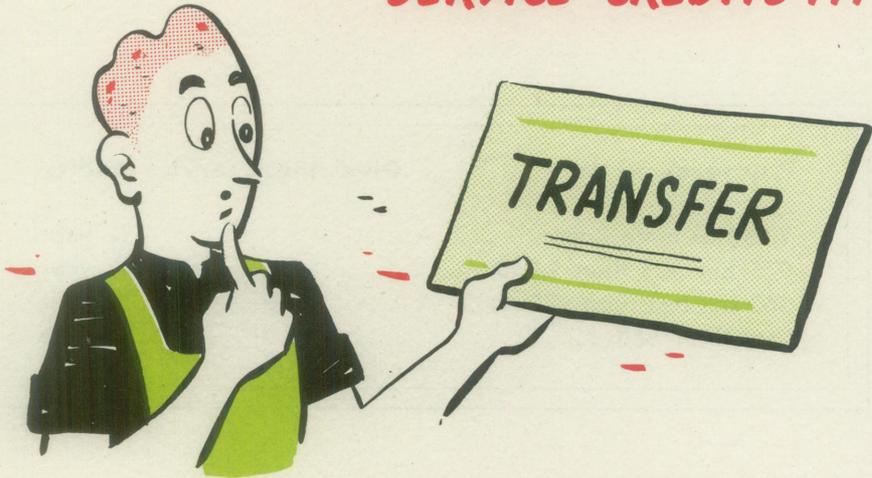
Pay received for	Gives these service credits
1,800 or more hours	1 year
1,300 but less than 1,800	$\frac{3}{4}$ year
750 but less than 1,300	$\frac{1}{2}$ year
Less than 750	None

Since the Plan did not go in effect until March 1, 1950, and service during the first two months went into PAST service, there is a special schedule for future service credits for the last ten months of 1950:

Pay received for	Gives these service credits
1,350 or more hours.....	$\frac{3}{4}$ year
975 but less than 1,350.....	$\frac{1}{2}$ year
560 but less than 975.....	$\frac{1}{4}$ year
Less than 560.....	None



SOME ADDITIONAL POINTS ABOUT SERVICE CREDITS...



Transfers after March 1, 1950

If you are transferred into the bargaining unit after March 1, 1950, from Company employment covered by a different retirement plan, your service credits under the other plan are transferred with you.

Where this involves a transfer from a salary to an hourly rate, the future service credits for the year in which you transfer are all credited under this Plan.

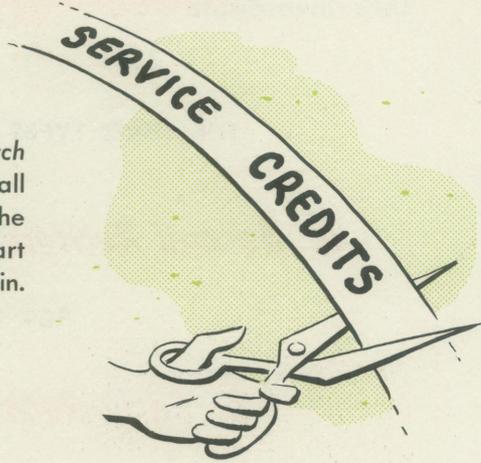
To figure the future service credit for the year of transfer, add up

- 1** The number of months in that year you were on salary, times 173.3 hours per month, and
- 2** The number of hours in that year for which you received pay after you came on the hourly roll

and look at the Future Service Credits Table on pages 14 and 15 to see how much credit that number of hours gives you.

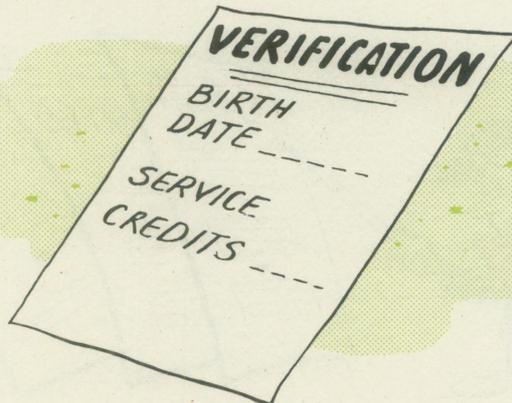
Breaks in seniority

If your seniority is broken after March 1, 1950 for any reason, you lose all your service credits. If you return to the Company after such a break, you start earning service credits all over again.



Verification of Credits

The Board will arrange for employees to be notified as to the amount of their service credits, based upon the Company's records of their employment and hours worked. A statement of the date of birth shown on the Company's records will be included. If you believe there are any errors in such a statement, you must take action to have corrections made after you receive it. The statement will contain instructions as to when and how this must be done.



ABOUT BENEFITS

Let's Investigate . . .

THE THREE TYPES OF RETIREMENT:

A. Normal Retirement

Age 65 or over

B. Early Retirement

Age 60 to 65

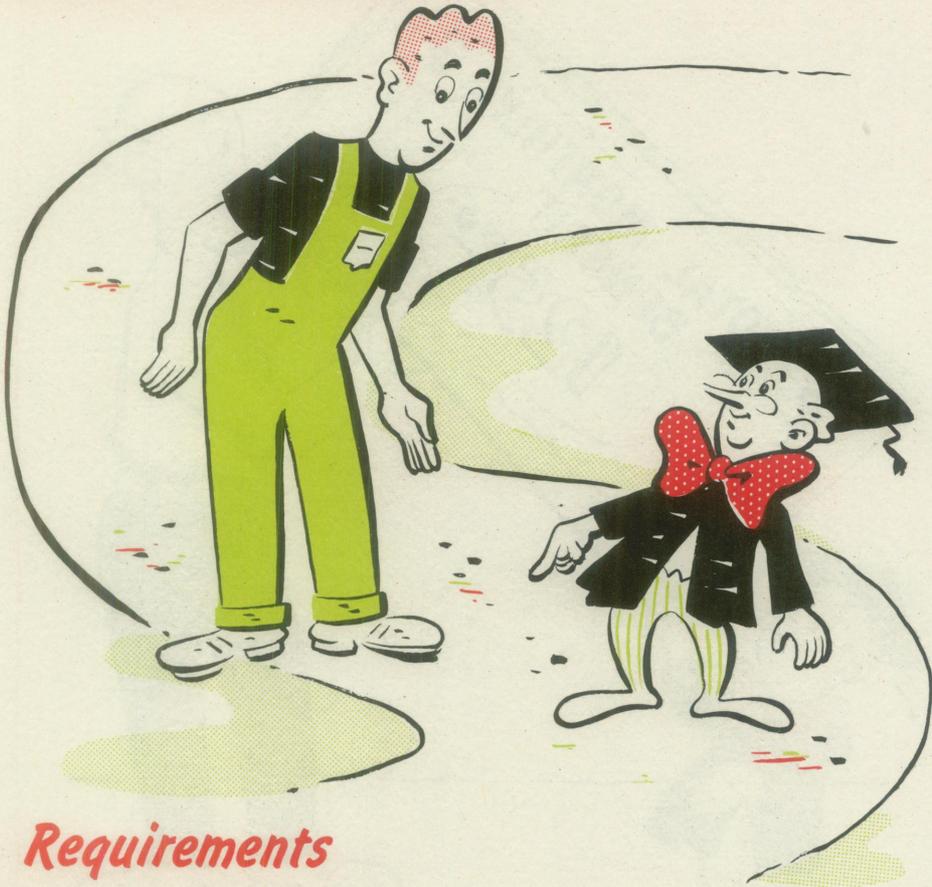
C. Disability Retirement

Age 50 to 65

Each type of retirement has its own special rules and benefit, so let's look at them separately . . .

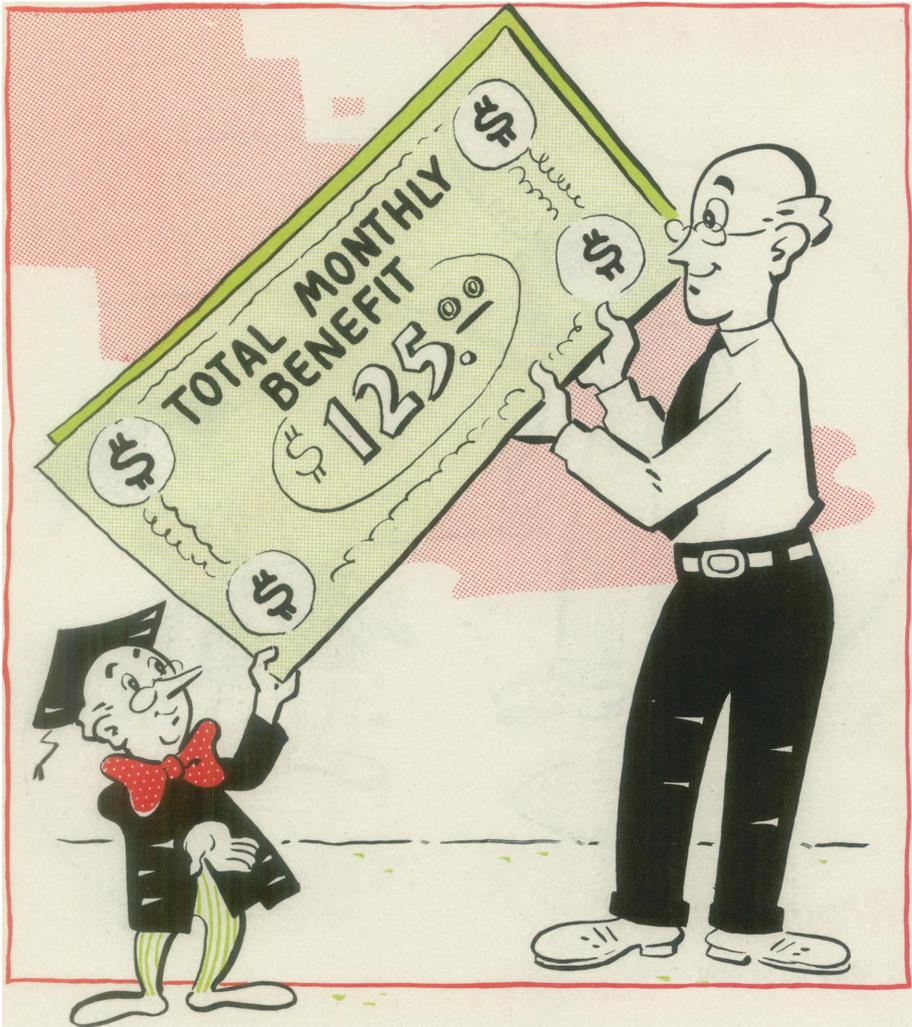


NORMAL RETIREMENT



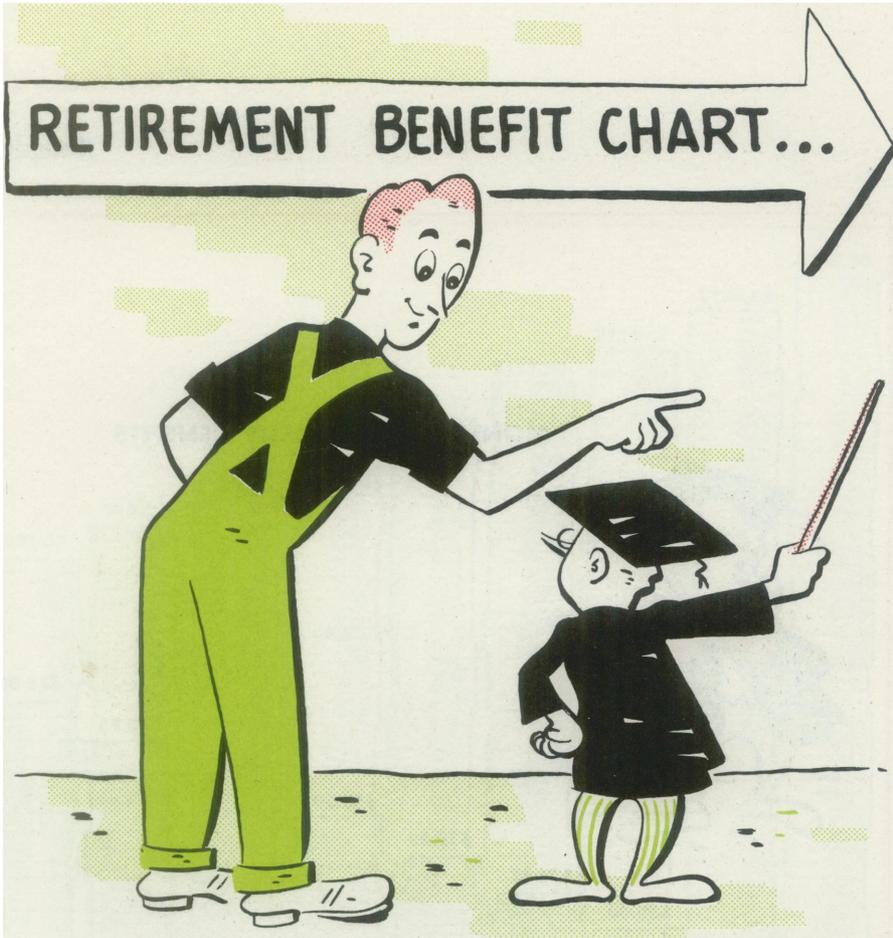
Requirements

1. AGE 65 or over, and
2. On the active employment rolls, or
When not on the rolls, you are still eligible if:
 - You have at least 20 years of service credits,
 - You have been on the rolls within the five years before reaching normal retirement age (your 65th birthday or March 1, 1950, whichever is later)
 - Your seniority has not been broken.



***BENEFIT WITH 30 OR MORE
YEARS OF SERVICE CREDITS:***

You receive \$125 a month including your primary Social Security benefit.



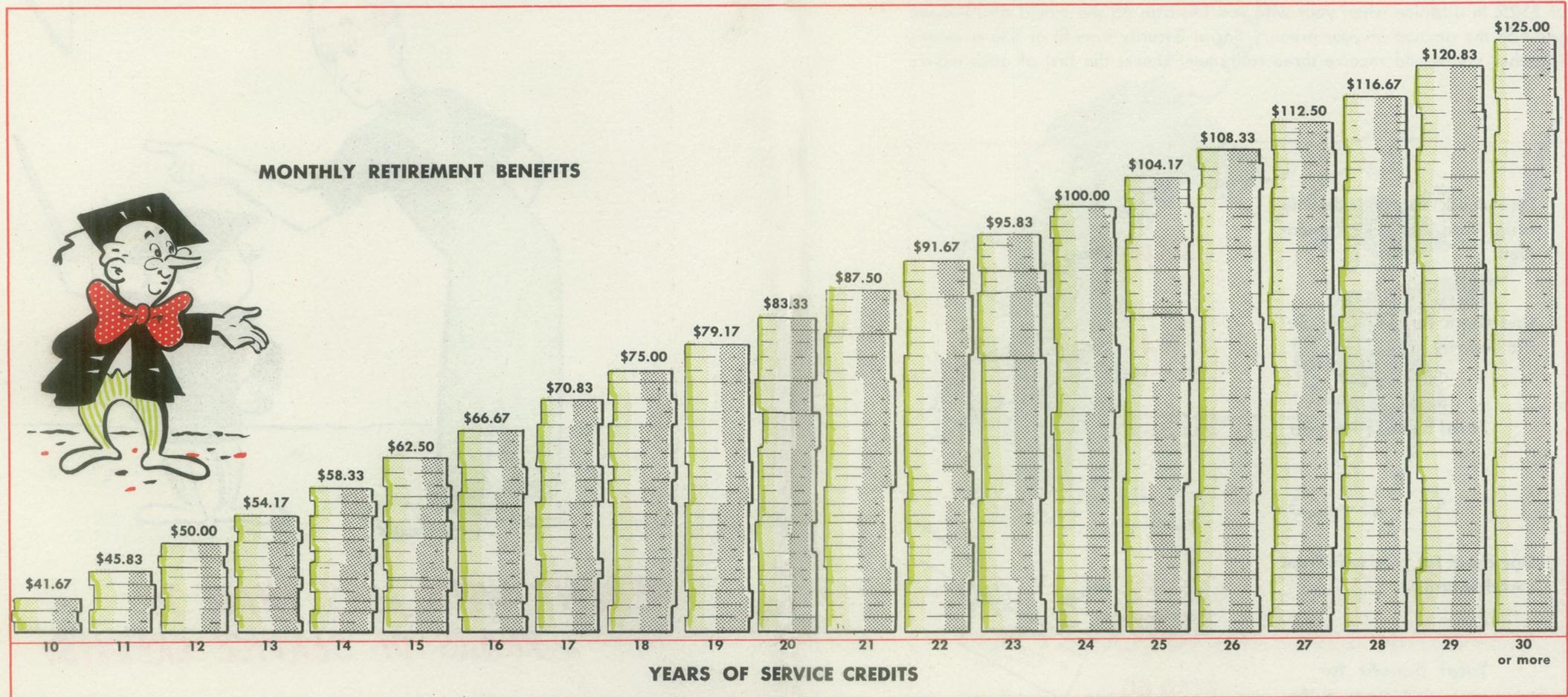
BENEFIT WITH LESS THAN 30 YEARS OF SERVICE CREDITS:

Your monthly benefit is smaller, because your retirement benefit is based on years of service credits.

To see what the monthly benefit is for various years of service credits, look at the chart on the next page . . .

Normal Retirement Benefit Chart

(Including Primary Social Security Benefits)

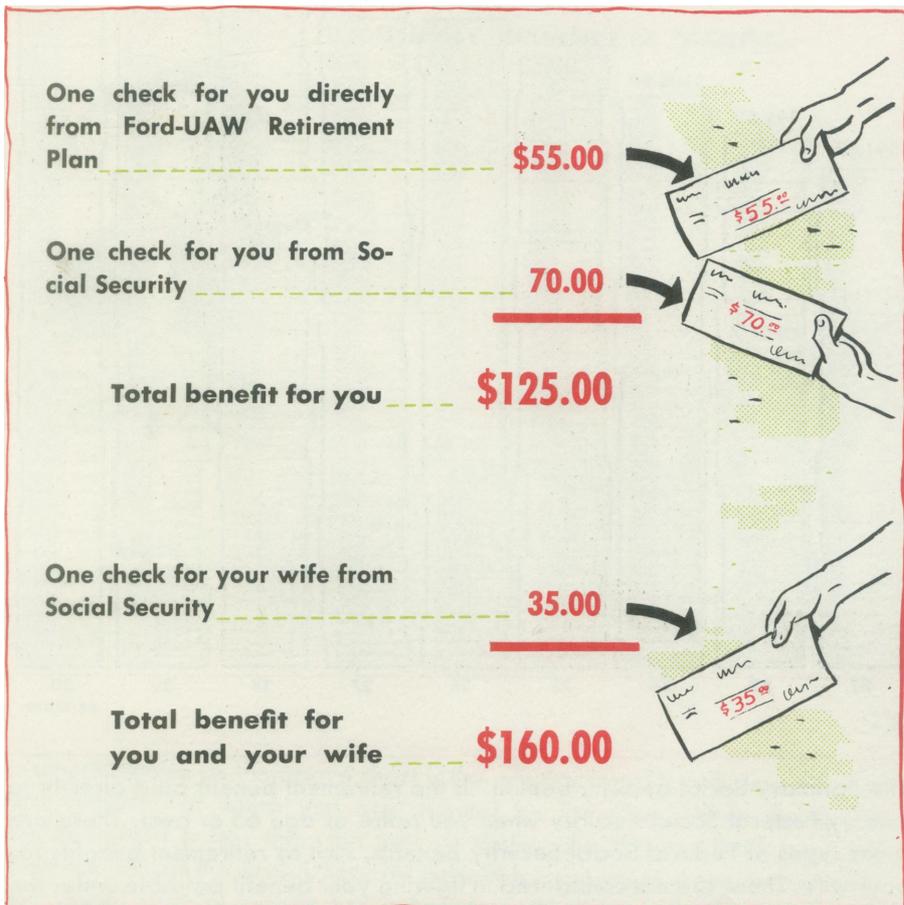


The amount shown on the above chart is the monthly benefit, including primary Social Security, of which you are assured by the Plan. When the Social Security benefit is less than the amount shown, the Pension Fund pays the difference. When the Social Security benefit is as much or more, you get the whole Social Security benefit, but nothing from the Pension Fund.

The "primary Social Security benefit" is the retirement benefit paid directly to you by Federal Social Security when you retire at age 65 or over. There are other types of Federal Social Security benefits, such as retirement benefits for your wife. These are not considered in figuring your benefit payable under the Plan.

TO ILLUSTRATE...

Suppose that you retire at age 65 with 30 years of credited service, and your primary Social Security benefit is \$70 a month. You would get \$55 directly from the Ford-UAW Retirement Plan, and \$70 from Social Security for a total of \$125. In addition when your wife reaches age 65 she would also receive one-half the amount of your primary Social Security benefit or \$35 a month. Together you would receive three retirement checks the first of each month.



EARLY RETIREMENT

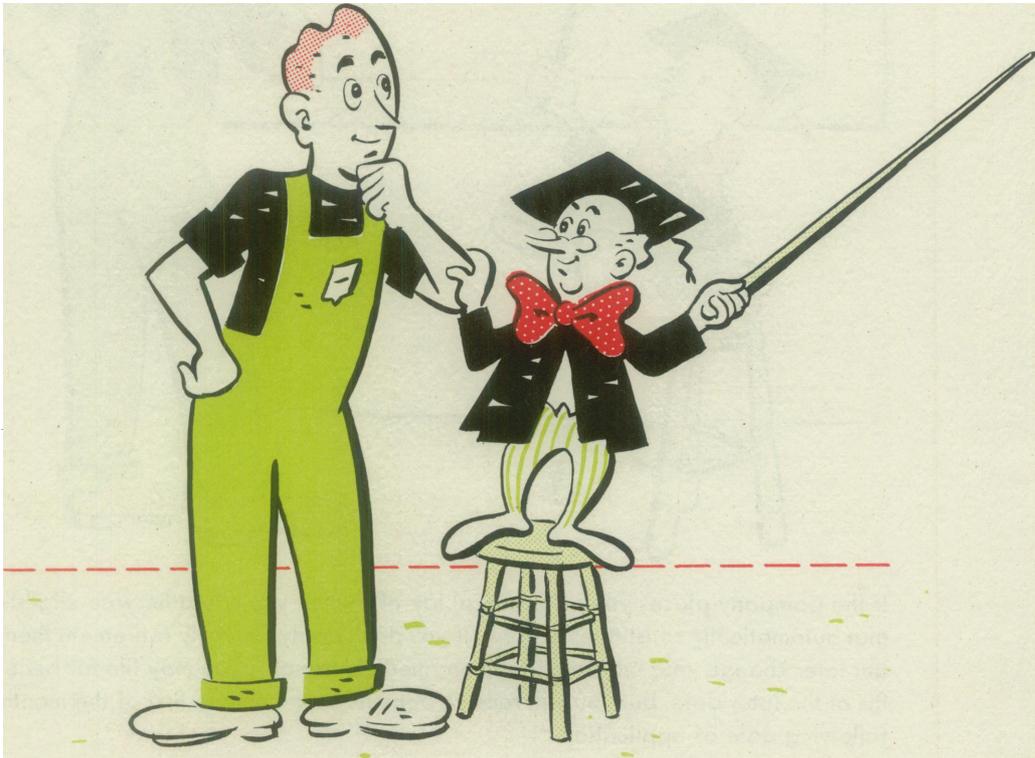


If the Company places you on “medical lay-off” when you are otherwise eligible that automatically constitutes consent. If you don’t apply for early retirement then, but later change your mind while still on “medical lay-off”, you may file for benefits at the later date, but you will receive benefits only from the first of the month following date of application.

BENEFIT

The amount of your early retirement benefit will depend on:

- 1. Your age at early retirement**
- 2. Your years of service credits at early retirement, and**
- 3. Your primary Social Security benefit if you had continued to work at Ford's until age 65.**



The table below shows you the approximate monthly benefits. Your monthly early retirement benefit is smaller because you start to get it sooner than you would your normal retirement benefit. Remember, your primary Social Security benefit is not payable until you reach age 65.

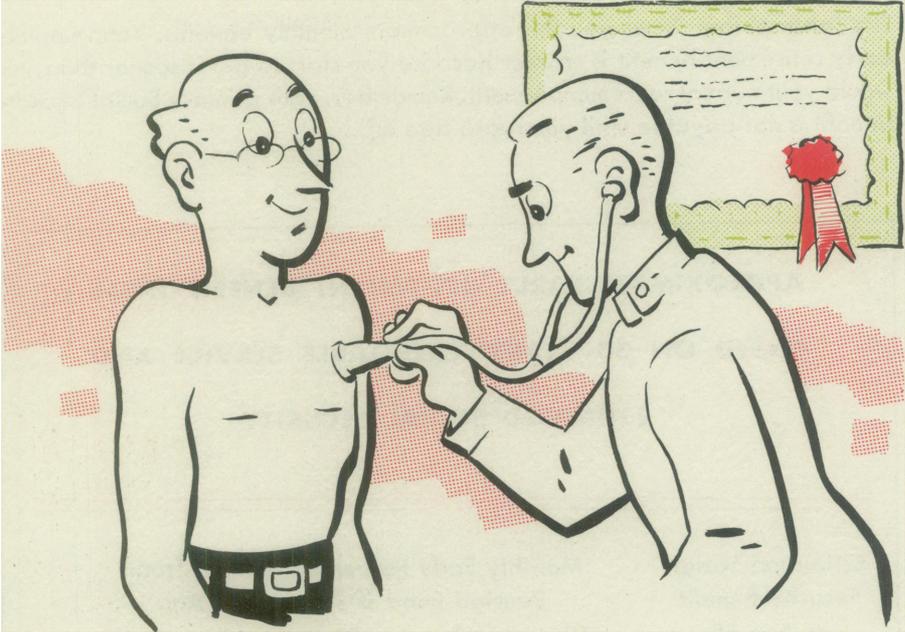
**APPROXIMATE EARLY RETIREMENT BENEFIT TABLE
BASED ON 30 YEARS' CREDITABLE SERVICE AND
ESTIMATED SOCIAL SECURITY**

Estimated Social Security Benefit at Age 65	Monthly Early Retirement Benefit from Pension Fund if Retiring at Age				
	60	61	62	63	64
\$80	\$24	\$27	\$31	\$35	\$40
\$70	29	33	38	43	49
\$60	34	40	45	51	58

(See page 35 regarding deduction of Workmen's Compensation.)

**NOW—
For Disability
Retirement...**





DISABILITY RETIREMENT

Requirements

1. Total and permanent disability starting

a After March 1, 1950, and on or after:

Age 50

15 years of service credits; and

b While on active employment rolls, or.....

- During the first 6 months of absence from work on a medical leave, or



- While on a Local Union leave of absence, or



- While on a personal leave of absence limited when issued to 6 months or less from the time of leaving work, or



- While on a lay-off in reduction of force, (but eligibility does not start unless and until recalled to work) or



- During the first 6 months of a medical leave issued because of inability to return to work when recalled from such a lay-off, if the leave is applied for within 5 days after notice to report to work is sent.

2. Application for disability retirement filed within the following time limits:



- a. If total and permanent disability commences during the first **6 MONTHS** of absence from work on a medical leave, application must be filed within **9 MONTHS** of the time of leaving work on such leave.



- b. If total and permanent disability commences while on lay-off, application must be filed within **5 DAYS** after notice to report to work is sent—or, if a medical leave is obtained at that time, application must be filed within **9 MONTHS** after the date of recall.





- c. If total and permanent disability commences during the first 6 MONTHS of a medical leave obtained when recalled to work from a lay-off, application must be filed within 9 MONTHS after the date of recall.

- d. In all other cases, application must be filed within 9 MONTHS after the total and permanent disability commences.



Medical Examinations

Before your application is acted upon, you must submit to a physical examination by doctors chosen by the Board. You may be required to submit to re-examinations after retirement, but not more often than twice a year.

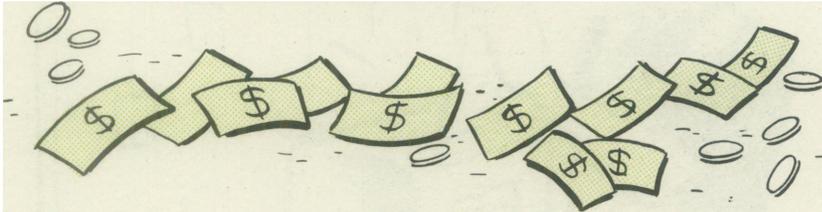


What is Total and Permanent Disability?

You must be totally disabled for life from engaging in any regular occupation or employment for pay or profit. Chronic alcoholism, drug addiction and intentional self-injury are not included. Also, disabilities resulting from service in the Armed Forces, or from felonious activities of the employee, are not covered.

Benefits

Your monthly disability retirement benefit is **\$3.00 FOR EACH YEAR OF YOUR SERVICE CREDITS**. There is a minimum monthly benefit of \$50.00 and a maximum benefit of \$90.00.



Disability benefits do not commence until you have been continuously disabled for at least 26 weeks. (If you are covered by the Company's Group Insurance Contract, you would be eligible in most instances to collect weekly disability insurance benefits during this period.) When you continue to receive a disability retirement benefit until age 65, it is then cancelled and a normal retirement benefit, based on your service credits, is substituted.

(See page 35 regarding deduction of Workmen's Compensation.)

SOME OTHER POINTS YOU SHOULD KNOW ABOUT THE PLAN

Employment



In various parts of the booklet it has been noted that being "in employment" is an eligibility requirement. You are considered to be in employment while actually working for the Company, or

- 1 On authorized vacation.
- 2 On temporary or disciplinary lay-off.
- 3 Absent without leave up to ten calendar days from the last day worked.
- 4 On an authorized leave of absence issued for 90 days or less.
- 5 During the first 90 days of a medical leave.

Workmen's Compensation Payments

If you are entitled to Workmen's Compensation payments covering all or a portion of the period of your retirement, the amount of such payments is deducted from the benefit payable from the Pension Fund. At the end of the period covered by the Workmen's Compensation, this deduction is discontinued. No deduction is made, however, for fixed statutory payments for the loss of a bodily member.



The same rule would also apply to any other disability benefits financed by the employer under Federal or State Laws.

FILING APPLICATION FOR BENEFITS

Before you can receive retirement benefits, you must file an application with the Board of Administration. Forms and information about this can be obtained from your Company Retirement Relations Representative or Union Representative. There are two important points that you should remember:

1

Benefits cannot be paid for any period prior to the time you file your application;

2

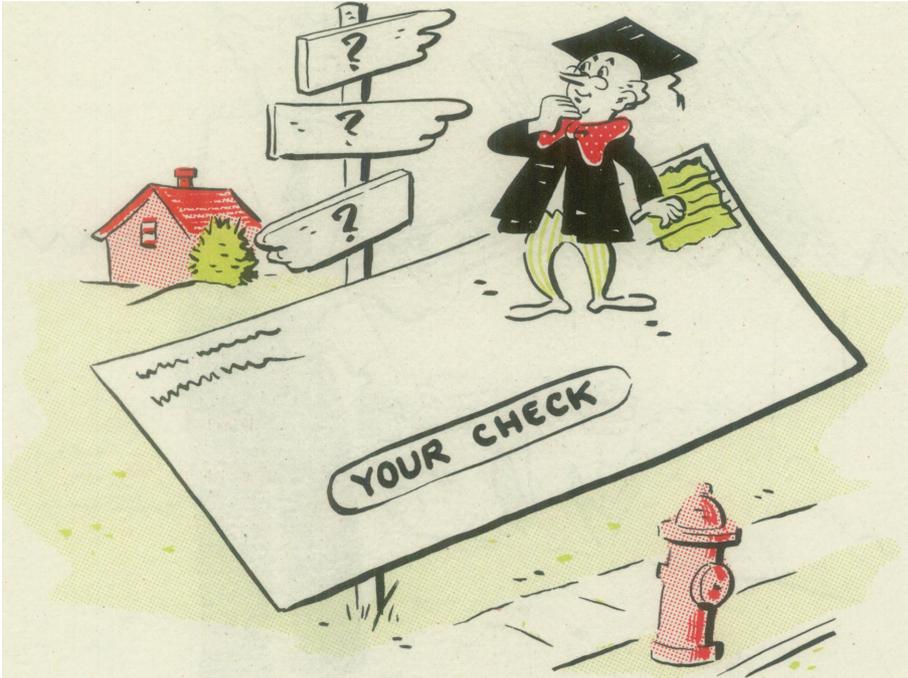
Application for disability benefits must be filed within the applicable time limits, as explained in the section of this booklet on Disability Retirement.

It is important that you file your application for benefits at least **60 DAYS** in advance so that the Board will have time to process your case; otherwise, the start of your payments may be delayed.



PAYMENT OF BENEFITS

In general, except in the case of disability, retirement benefits become payable on the first day of the month after you retire if your application has been filed before that time. Benefits are payable the first of each month thereafter for the rest of your life. No benefits are payable after death. Also, if you should be on the active employment rolls of the Company on the first of any month after your retirement, no benefit is payable that month.



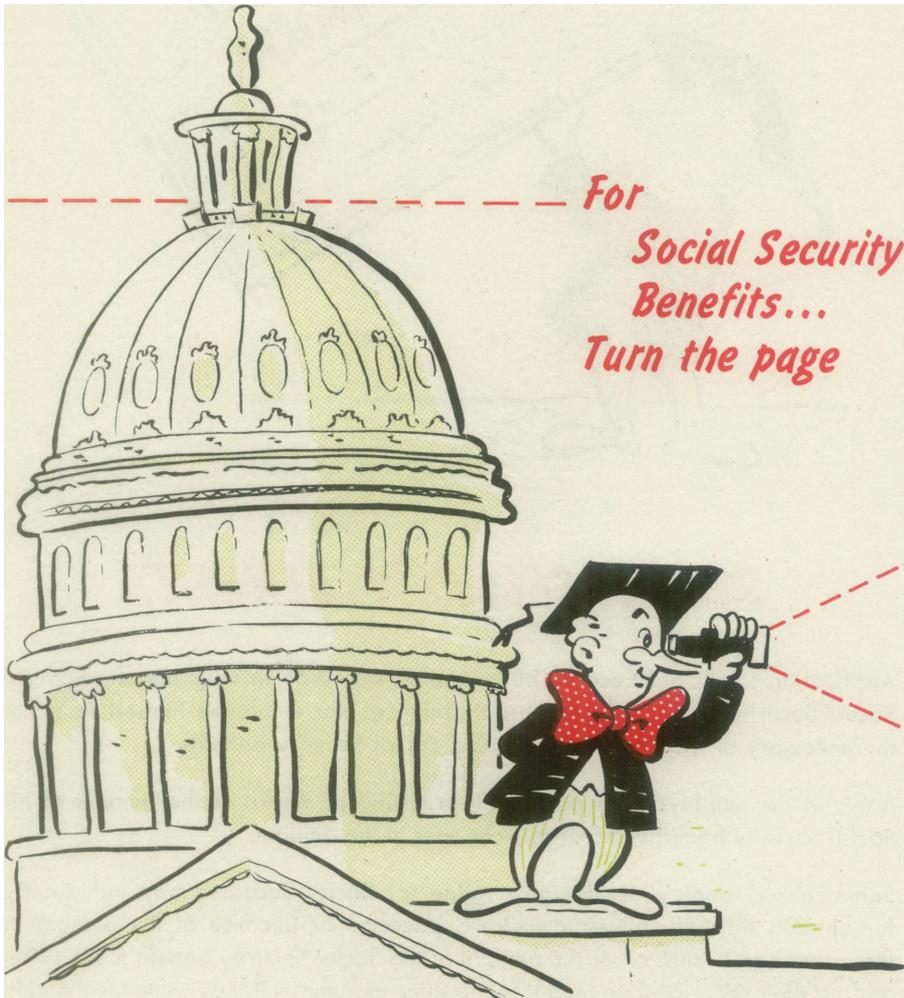
There is a different rule for the start of disability benefits, however, which is explained in the section of this booklet on Disability Retirement. Disability benefits continue until age 65, unless disability ends before that. At 65, a normal retirement benefit is payable instead.

Payments are made by the Trustee of the Pension Fund, who will send your check to you at whatever address you designate. The Trustee should be notified promptly of any change in address.

The Plan provides that benefit payments can be made only to the retired employee. His creditors cannot get the payments from the Trustee, and he cannot sell or mortgage future payments. Once the money has been paid to the retired employee, of course, it is his without restriction, just like any other money he has.

If the retired employee should become unable to handle the money himself, however, because of illness or accident, arrangements may be made by the Board for making the payments to some responsible person close to him in his behalf.

If the monthly benefit from the Fund is less than \$10.00, payments may be made quarterly in advance. If the quarterly payments still would be less than \$10.00, the Board in its discretion may direct payments to be made annually in advance.





SOCIAL SECURITY BENEFITS

Application for Social Security benefits must be made to your nearest Federal Social Security office. It is the responsibility of the employee himself to make the necessary arrangements for starting Social Security benefits.

It is also the employee's responsibility to notify the Board of the amount of his Social Security benefits and of any changes in the amount.

Some retired employees, though eligible for Social Security, may not qualify for benefits through failure to make application or because of the amount of their earnings. In such cases the amount of the Social Security benefit is still offset against their retirement payments in the same manner as if they were receiving it.

LIFE INSURANCE AFTER NORMAL RETIREMENT

In accordance with the Collective Bargaining Agreement between the Company and the Union, life insurance is provided without cost to employees upon normal retirement. This life insurance coverage is a part of the John Hancock Group Life Insurance Program rather than the Retirement Plan.

To be eligible for the insurance you must retire at or after normal retirement age (65 or March 1, 1950, whichever is later) and you must have been carrying John Hancock Group Life Insurance at the time of your retirement (or at the time your last period of employment ended, if that was before your retirement).

In order to be covered by this insurance, you must file an application for normal retirement under the Retirement Plan, whether or not you are entitled to a retirement benefit from the Pension Fund.

The amount of the insurance depends upon your years of service credits, as follows:

Years of Service Credits	Amount of Life Insurance
30 or more	\$1,000
20 but less than 30	750
10 but less than 20	500
Less than 10	None

KEEP THIS BOOKLET . . .

for what's what on *your* retirement



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ENTER YOUR SERVICE CREDITS HERE ...



Year	Future Service Credits	NOTES
1950		
1951		
1952		
1953		
1954		
1955		
19		
19		
19		
	Total Creditable Service	

If you have any questions about your service credits or the Plan as applied to you, see either your Retirement Relations Representative or your Union Representative. If they cannot clear up your questions, you may contact the office of the Board of Administration which is located at 500 Griswold Street, Detroit 26, Michigan.

Keep Your Service Statements Here